

*Official Statement*

*Carlsbad Unified School District  
Educational Facilities Corporation  
San Diego County, California*

*\$1,210,000 Series of 1976 Bonds*

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Bids to be received by the Corporation on Wednesday, May 19, 1976, at 10:00 A.M. at the Conference Room of Stone & Youngberg Municipal Financing Consultants, Inc., Suite 2750, One California Street, San Francisco, California.

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OFFICIAL STATEMENT  
\$1,210,000 SERIES OF 1976 BONDS  
CARLSBAD UNIFIED SCHOOL DISTRICT  
EDUCATIONAL FACILITIES CORPORATION

Mr. James L. Clauson, *President*

Mr. Gerald Chase McClellan, Jr., *Vice President*

Mrs. Kathryn May Campbell Riley, *Treasurer*

Mr. Martin Jerome Dahlquist, *Secretary*

Mr. Richard Gilbert Nieves, *Director*

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CARLSBAD UNIFIED SCHOOL DISTRICT  
BOARD OF TRUSTEES

Dr. Richard R. O'Neil, *President*

Mr. W. Allan Kelly, *Vice President*

Dr. Thomas L. Curtin, *Clerk*

Mrs. Mary A. Scherr

Mrs. Hope Wrisley

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ADMINISTRATIVE STAFF

Mr. Robert A. Crawford, *Superintendent*

Mr. Fred H. Lance, *Business Manager*

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PROFESSIONAL SERVICES

Orrick, Herrington, Rowley & Sutcliffe, *San Francisco*  
*Bond Counsel*

Stone & Youngberg Municipal Financing Consultants, Inc., *San Francisco*  
*Financing Consultants*

THE DATE OF THIS OFFICIAL STATEMENT IS APRIL 20, 1976

TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on, and buyers of, \$1,210,000 principal amount of the Series of 1976 Bonds, proposed to be issued by the Carlsbad Unified School District Educational Facilities Corporation.

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultants to the Corporation and the Carlsbad Unified School District (which firm will receive compensation from the Corporation contingent upon the sale and delivery of the Bonds).

This Official Statement is not to be construed as a contract with the purchasers of the Series of 1976 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

The agreements of the Corporation with the purchasers of the Bonds are set forth in the Indenture. That document will be available to any prospective investor in the Bonds. Reference is hereby made to that document for a complete statement of the rights and obligations of the Corporation and holders of the Bonds.

No dealer, broker, salesman or other person has been authorized by the Corporation to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The members of the governing board of the Carlsbad Unified School District have reviewed this Official Statement and have determined that as of the date hereof the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading. The Carlsbad Unified School District will deliver to the purchaser of the Bonds a certificate as to the above, dated the date of Bond delivery and further certifying that the signatories know of no material adverse change in the condition of the District which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds, and authorizing the purchaser of the Bonds to distribute copies of the Official Statement in connection with the resale of the Bonds. 150 copies of the Official Statement will be supplied to the purchaser of the Bonds for this purpose.

The opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, Bond Counsel to the District, will be furnished to the successful bidder (see the section entitled "Legal Opinion" herein). The scope of Bond Counsel's employment in connection with the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions set forth herein under the sections titled "Carlsbad Unified School District Educational Facilities Corporation" and "The Bonds".

Dated April 20, 1976

CARLSBAD UNIFIED SCHOOL DISTRICT  
EDUCATIONAL FACILITIES CORPORATION

**SUMMARY OF ESSENTIAL FACTS AND ESTIMATES**  
**CARLSBAD UNIFIED SCHOOL DISTRICT**  
**EDUCATIONAL FACILITIES CORPORATION**

**\$1,210,000 PRINCIPAL AMOUNT SERIES OF 1976 BONDS**

**Issuer and Authority for Issuance:** Carlsbad Unified School District Educational Facilities Corporation pursuant to the General Nonprofit Corporation Law of the State of California (Title 1, Division 2, Part 1 of the California Corporations Code), and an Indenture between the Corporation and United California Bank, as Trustee.

**Purpose of Issue:** Finance the construction of new facilities at Carlsbad High School, Pine Elementary School, and Valley Junior High School (Project Phase I), all of which will be leased to the Carlsbad Unified School District.

**Issue of Bonds:** \$1,210,000 principal amount of Series of 1976 Bonds of the Corporation, dated May 1, 1976 and maturing on May 1 as follows:

Maturity Date May 1	Principal Maturing	Maturity Date May 1	Principal Maturing
1978 ...	\$ 20,000	1990 ...	\$ 50,000
1979 ...	20,000	1991 ...	55,000
1980 ...	25,000	1992 ...	60,000
1981 ...	25,000	1993 ...	65,000
1982 ...	25,000	1994 ...	70,000
1983 ...	30,000	1995 ...	75,000
1984 ...	30,000	1996 ...	80,000
1985 ...	35,000	1997 ...	85,000
1986 ...	35,000	1998 ...	90,000
1987 ...	40,000	1999 ...	100,000
1988 ...	40,000	2000 ...	110,000
1989 ...	45,000		

**Interest:** Maximum rate not to exceed 8 percent per annum, payable for the first six months on November 1, 1976, and semiannually thereafter on May 1 and November 1 of each year.

**Time and Place of Sale:** Wednesday, May 19, 1976 at 10:00 A.M. at the Conference Room of Stone and Youngberg Municipal Financing Consultants, Inc., Suite 2750, One California Street, San Francisco, California.

**Payment and Registration:** Interest and principal payable at the principal office of United California Bank in Los Angeles, California (the Trustee), or, in the case of coupon bonds at the offices of the Manufacturers Hanover Trust Company in New York, New York, or Northern Trust Company in Chicago, Illinois. Coupon bonds in denomination of \$5,000 or in fully registered form, interchangeable at the office of the Trustee.

**Call Provisions:** All bonds callable from proceeds of insurance or eminent domain on any date without premium. Bonds maturing on or before May 1, 1988 not otherwise callable. Bonds maturing on and after May 1, 1989 also callable on May 1, 1988 at a maximum premium of 3 1/4 percent and at lesser premiums in subsequent years as specified in the Indenture.

**Tax Exemption:** In the opinion of Bond Counsel, interest on the Series of 1976 Bonds is exempt from all present federal and State of California personal income taxes.

**Legality for Investment:** The Series of 1976 Bonds are eligible to secure deposits of public funds in California under Section 53651.5 of the California Government Code. It is believed the U.S. Comptroller of Currency will issue a ruling that the Series of 1976 Bonds are eligible for purchase, dealing in, underwriting, and unlimited holding by national banks.

**Blue Sky Memorandum:** Information memorandum regarding applicability of blue-sky laws in all 50 states, District of Columbia, and Puerto Rico will be furnished to prospective purchasers.

**Legal Opinion:** Orrick, Herrington, Rowley & Sutcliffe, San Francisco.

**Security:** Payment of Bond interest and principal secured by a first and exclusive charge upon District base rent payments. Rent payments are general fund obligations and District covenants to budget and appropriate necessary funds each year.

**District voters have approved a 9.8¢ per \$100 assessed valuation maximum annual tax rate increase over the period 1975/76 to 1999/2000 for the purposes of (1) preparing plans and specifications, and (2) leasing the Project to be constructed for District's use. Proceeds of the voter approved maximum tax rate increase may be used only to meet District rent obligations and other Project costs.**

District annual rental obligations of \$122,000 (\$117,000 base rental and \$5,000 additional rental) payable in semiannual installments beginning October 15, 1977 and April 15, 1978 and each subsequent October 15 and April 15 through April 15, 2000 is anticipated to be met by proceeds from voter approved lease authorization tax.

The maximum rental is based on the following assumptions: (1) actual Project Phase I construction costs as bid, (2) a bid of 8 percent per annum maximum interest rate on Bonds issued to finance the construction of Project Phase I school facilities, (3) funded interest during and for four months beyond the expected completion date of the facilities, and (4) the funding of a bond service reserve equal to estimated maximum annual debt service.

**Based on the present 1975/76 assessed valuation (\$139,872,909) and a tax delinquency of 4% (3-year tax delinquency of 2.75% and a 1974/75 tax delinquency of 3.72 percent), the tax rate necessary to generate funds to meet annual maximum rental payments for Project Phase I facilities is 9.1¢ of the total voter approved 9.8¢ tax rate increase.**

**Other Protective Provisions Series of 1976 Bonds:**  
(1) Reserve equal to maximum annual debt service created from bond proceeds; (2) interest funded from bond proceeds through May 1, 1977, approximately four months beyond the estimated date of occupancy of Project Phase I schools by the District; (3) rental moneys collected by the District one fiscal year in advance of lease payment dates; (4) firm construction bids have been received with 100% faithful performance and 100% labor and materialmen's bonds; (5) insurance protection includes fire and extended coverage for not less than full replacement cost of the facilities or sufficient to

pay Bonds, subject to a deductible clause not to exceed \$100,000 for any one loss; earthquake insurance after completion, if such insurance is available on the open market from reputable insurance companies, for not less than full replacement cost of the facilities or sufficient to pay Bonds, subject to a deductible clause not to exceed 10 percent of replacement cost for any one loss; rental interruption insurance equal to time required to construct structure plus three months, less a 30-day deductible; public liability and property damage insurance; and a policy of title insurance in the amount of the Bonds insuring the Corporation's interest in the site upon which facilities are to be located.

**District Financial Data:** Five year history shows: (1) increase in average daily attendance from 4,113 to an estimated 4,296 in fiscal year 1975/76, (2) growth in assessed valuation from \$70,212,034 to \$139,872,909, (3) tax rates per \$100 assessed valuation ranged from a high of \$5.244 (1971/72) to a low of \$4.239 (1974/75). The 1975/76 tax rate is \$4.241 per \$100 assessed valuation, (4) total tax collections averaged 99.06 percent in 1974/75.

**The District:** Located on the Pacific Coastline 35 miles north of San Diego and 90 miles south of Los Angeles. Population estimated at approximately 22,000. District encompasses approximately 80 percent of the land area of the City of Carlsbad where population has grown from 9,253 in 1960 to 19,310 in 1975. Average median building permit for a new home exclusive of land in 1975 was \$43,912. Median family income is \$12,474.

**Direct and Net Direct and Estimated Overlapping Debt.** Upon delivery of the Corporation's Series of 1976 Bonds currently being offered for sale, the total of the Corporation's and District's direct debt will be \$3,887,424 or 2.78% of assessed valuation and 0.67% of estimated real value. Net direct and estimated overlapping debt will be 10.09% and 2.44% of assessed valuation and estimated real value, respectively.

**ALL OF THE TERMS OF THIS SUMMARY OF ESSENTIAL FACTS AND ESTIMATES ARE SUBJECT TO THIS OFFICIAL STATEMENT AND THE OFFICIAL NOTICE OF SALE OF THE BONDS.**

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Vicinity map showing the location of Carlsbad in relation to the city of San Diego.

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# CARLSBAD UNIFIED SCHOOL DISTRICT EDUCATIONAL FACILITIES CORPORATION

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## Organization and Membership

The Carlsbad Unified School District Educational Facilities Corporation, herein referred to as the "Corporation", was formed on November 26, 1975, as a nonprofit corporation pursuant to the General Nonprofit Corporation Law of the State of California (Title 1, Division 2, Part 1, of the California Corporations Code). The purpose of the Corporation is to provide financial assistance to the Carlsbad Unified School District, San Diego County, California, herein referred to as the "District", by financing the acquisition, construction, improvement and remodeling of public school buildings and facilities for the District.

The Corporation functions as an independent entity and its policies are determined by a five-member Board of Directors who are community leaders and residents of the District. The members of the Board of Directors, who serve without compensation, are:

*President:* James L. Clauson, realtor and active participant in school district and various citizen's advisory committees.

*Vice-President:* Gerald Chase McClellan, Jr., insurance agent and former President of the Carlsbad Chamber of Commerce.

*Treasurer:* Kathryn May Campbell Riley, employee of the Department of Public Welfare of San Diego County, former teacher, and active participant in local volunteer work.

*Secretary:* Martin Jerome Dahlquist, financial manager of Camp Pendleton Marine Corps Base, former Major in the United States Marine Corps.

*Director:* Richard Gilbert Nieves, insurance agent, former member of the Carlsbad Parks and Recreation Commission.

## Certain Powers of the Corporation

The powers of the Corporation are vested in, and exercised by, a majority of its directors. Under its Articles of Incorporation, the Corporation has all powers conferred upon nonprofit corporations by the laws of the State of California including the following:

- (a) To borrow money and issue bonds, debentures, notes and other evidences of indebtedness, and to secure the payment or performance of its obligations by pledge, mortgage, transfer in trust or otherwise;
- (b) To acquire, by purchase, exchange, lease, gift, devise, bequest or otherwise, and to hold, improve, lease, sublease, mortgage, transfer in trust, encumber, exchange, convey or otherwise dispose of real and personal property; and
- (c) To assume any obligations, enter into any contracts and other instruments and do any and all things incidental to or expedient for the attainment of its corporate purposes or the issuance and sale of its securities.

## Financing Procedures and Basic Legal Documents

On May 27, 1975 voters of the District, by a vote of 1,502 to 1,221 (55%) approved an increase of 9.8¢ per \$100 assessed valuation in the District's maximum tax rate over the period 1975/76 to 1999/2000 for the purpose of preparing plans and specifications and leasing the following furnished, equipped, new school facilities: (1) art building and expansion of kitchen and food service area at Carlsbad High School, (2) shower and locker building at Valley Junior High School, and (3) food serving area building at Pine Elementary School ("Project Phase I").

Proceeds from the sale of the \$1,210,000 principal amount of the Corporation's Series of 1976 Bonds (the "Series of 1976 Bonds") currently being offered will be used to construct Project Phase I public school facilities (see above discussion) on District-owned sites that are to be leased to the Corporation pursuant to provisions of a site lease, the principal provisions which are summarized in the "Site Lease" heading of the Official Statement on this page.

The term "Project" as used herein includes Project Phase I and any other school facilities financed by the Corporation under the Indenture. The term "Bonds" includes the Series of 1976 Bonds and any other series of bonds subsequently issued under the Indenture.

The \$1,210,000 principal amount of the Series of 1976 Bonds currently being offered will be issued pursuant to an Indenture between the Corporation and United California Bank, Los Angeles, California, as Trustee. The Indenture will be dated May 1, 1976 and will be executed prior to the delivery of the Series of 1976 Bonds.

Series of 1976 Bonds and a summary of certain provisions of the Indenture are discussed in "The Bonds" section of this Official Statement, page 5. For complete details prospective purchasers of the Series of 1976 Bonds are referred to the text of the Basic Legal Documents accompanying the distribution of this Official Statement.

The Corporation will lease back to the District the facilities to be constructed and the sites pursuant to provisions of a facility lease, the principal provisions of which are summarized in the "Facility Lease" heading of this section of the Official Statement, page 3. For complete details prospective purchasers of the Series of 1976 Bonds are referred to the text of the Basic Legal Documents accompanying the distribution of this Official Statement.

## Site Lease

The Site Lease will be dated May 1, 1976 and will be executed prior to the delivery of the Series of 1976 Bonds.

Pursuant to the Site Lease, the District will lease to the Corporation, at an annual rate of \$1.00, the real properties (Demised Premises) upon which the Project Phase I facilities are to be constructed. The Corporation shall use the Demised Premises solely for the purpose of: (1) constructing Project Phase I facilities thereon, and (2) leasing back to the District the Demised Premises and the facilities thereon pursuant to the Facility Lease.

**Term.** The term of the Site Lease shall start on the date of its recordation in the office of the County Recorder of San Diego County, State of California, or on November 1, 1976, whichever is earlier. The

term of the Site Lease shall end on October 1, 2000, unless earlier terminated or extended. If prior to October 1, 2000, all of the Series of 1976 Bonds shall have been retired, the Site Lease shall be terminated ten days thereafter (the final maturity of the Series of 1976 Bonds is May 1, 2000). If on September 30, 2000 all of the Series of 1976 Bonds shall not be fully paid and retired, or if the rental payable under the Facility Lease shall have been abated, then the term of the lease shall be extended until ten days after all bonds and other indebtedness of the Corporation incurred to finance the construction of Project Phase I shall be fully paid and retired, except that the term of the lease shall in no event be extended beyond October 1, 2005.

**Title to Sites.** The District owns the sites upon which the facilities are to be constructed.

**Eminent Domain Proceedings.** In the event all or any part of the Demised Premises or the Project Phase I improvements thereon are taken by eminent domain proceedings, the interest of the Corporation shall be recognized in the amount of the then unpaid indebtedness incurred by the Corporation to construct the Project Phase I facilities, including interest thereon and all other payments required to be made by, or to, the Trustee under the Indenture securing the Series of 1976 Bonds.

**Termination and Disposition of Project.** Upon the termination of the Site Lease, the Corporation agrees to surrender to the District the Demised Premises and title to the permanent structures and improvements existing thereon.

For additional details of the Site Lease, prospective purchasers of the Series of 1976 Bonds are referred to the complete text of the proposed form of Site Lease included in the Basic Legal Documents accompanying the distribution of this Official Statement.

## Facility Lease

The Series of 1976 Facility Lease will be dated May 1, 1976 and will be executed prior to the delivery of the Series of 1976 Bonds. The Corporation will lease to the District the Demised Premises and the Project Phase I facilities constructed thereon pursuant to provisions of the Facility Lease described on this page.

**Term.** The term of the Facility Lease shall start on the day of its recordation in the office of the County Recorder of San Diego County, State of California or on November 1, 1976, whichever is earlier. The term of the Facility Lease shall end on September 30, 2000 unless earlier terminated or extended. If prior to September 30, 2000, all of the Series of 1976 Bonds shall have been retired, the Facility Lease shall terminate ten days thereafter (the final maturity of the Series of 1976 Bonds is May 1, 2000). If on September 30, 2000, the Series of 1976 Bonds have not been retired, the Facility Lease shall be extended until ten days after all Series of 1976 Bonds and any other indebtedness incurred to finance the construction of Project Phase I shall be fully paid and retired, except that the term of the Facility Lease shall in no event be extended beyond October 1, 2005.

**Construction of Facilities.** The District has obtained competitive bids for the construction of Project Phase I facilities at a cost of \$805,522. Concurrent with the execution, delivery and recordation of the Facility Lease, the Corporation will enter into contracts with the lowest responsible bidders for construction of the Project Phase I facilities in accordance with plans and specifications previously approved by the District and the State Office of Architecture and Construction.

**Commencement of Rent.** It is contemplated that the District will take possession of the Demised Premises and the facilities on or before October 1, 1977 and the first semiannual payment of rental shall be due on October 15, 1977. The District may take possession of the Demised Premises and the Project Phase I facilities prior to October 1, 1977 if completed prior to that date. If for any reason the Corporation is not able to deliver possession of the Demised Premises and the Project Phase I facilities, or any part thereof, to the District by October 1, 1977, the Facility Lease shall not be void nor the Corporation be liable to the District for any resulting loss or damage; but in that event, the rental payable by the District shall be abated based on the proportion the construction cost of the incompletely completed portion or portions of the Project Phase I facilities bears to the total construction cost of the facilities.

**Base Rental.** For the use and occupancy of the Demised Premises and the Project Phase I facilities, the District agrees to pay the Corporation a base rental, semiannually beginning on October 15, 1977

and each succeeding April 15 and October 15 up to and including April 15, 2000 unless the Facility Lease has been earlier terminated or extended. The amount of base rental shall be in a specified amount sufficient to meet payments of interest and principal on the Corporation's Series of 1976 Bonds as they become due. The actual base rental obligation of the District will be determined following the sale of the Series of 1976 Bonds.

**Additional Rent.** The District is also required to pay to the Corporation additional rental, in an amount not to exceed \$5,000 annually, to meet administrative costs of the Corporation attributable to Project Phase I and the Corporation's Series of 1976 Bonds.

**District Provision of Rental.** The District covenants to include all base rental and additional rental payments in its annual budget and to make the necessary annual appropriations for all such payments. The Corporation and the Trustee will be furnished copies of each proposed and final budget of the District within ten days after the filing or adoption thereof.

**Abatement of Rental.** Rental shall be abated during any period in which there is substantial interference with the District's use and occupancy of the Demised Premises and the Project Phase I facilities due to damage or destruction. The abatement of District rental shall be based on the proportion of initial costs of the unusable portion or portions of the Project Phase I facilities to the total initial cost of Project Phase I facilities.

**Insurance.** Except if such insurance is otherwise obtained by the Corporation or a construction contractor, the District is required to obtain and maintain throughout the term of the Facility Lease various insurance coverages including fire and extended coverage, earthquake (after completion of construction and if available on the open market from reputable insurance companies), public liability and property damage, and rental or use and occupancy insurance. The various insurance coverages are provided by the contractor during construction. The major features of these types and amounts of insurance coverages are discussed under the heading "The Indenture" in "The Bonds" section of this Official Statement, page 11.

**Maintenance, Utilities, Taxes and Assessments.** The District shall be responsible for the maintenance

and repair of the Demised Premises and the Project Phase I while in possession, and shall pay or arrange for the payment of such costs, as well as utilities, and taxes and assessments throughout the term of the Facility Lease.

**Eminent Domain Proceedings.** In the event the Project Phase I facilities are permanently taken under the power of eminent domain, the Facility Lease shall terminate. In the event less than all of the Project Phase I facilities are taken under the power of eminent domain, the Facility Lease shall continue in full force and there shall be a partial abatement of rent to be agreed upon by the District and the Corporation; however, in no event shall the rental payable by the District be less than the amount required for the retirement of the Series of 1976 Bonds and payment of interest thereon as such bonds and interest become due.

**Option to Purchase.** The District shall have the option to purchase the Corporation's interest in any part of the Project Phase I facilities upon payment of an option price equal to the aggregate amount for the entire remaining term of the lease of the part of the total rental attributable to such part of the Project Phase I facilities (determined by reference to the proportion which the construction cost of such part of the Project Phase I facilities bears to the construction cost of all of the Project Phase I facilities).

**Default By District.** Should the District default and fail to remedy any default, the Corporation has the right to terminate the Facility Lease and re-enter the premises, or without terminating the Facility Lease, re-enter and relet Project Phase I facilities as the agent of and for the account of the District.

**Termination and Disposition of Project.** Upon termination of the Facility Lease, the Corporation agrees to surrender to the District the Demised Premises and title to permanent improvements thereon.

The foregoing summary discussion of selected features contained in the proposed form of Facility Lease are made subject to all of the provisions of the proposed form of Facility Lease. This summary does not purport to be a complete statement of such provisions and reference is made to the proposed form of Facility Lease which is included as part of the legal documents accompanying this Official Statement.

# THE BONDS

## Authority for Issuance

The \$1,210,000 principal amount of Carlsbad Unified School District Educational Facilities Corporation Series of 1976 Bonds, herein referred to as the "Series of 1976 Bonds," are to be issued pursuant to the General Non-Profit Corporation Law of the State of California (Title 1, Division 2, Part 1 of the California Corporations Code) and a certain indenture dated May 1, 1976, herein referred to as "the Indenture", to be entered into between the Corporation and United California Bank, as Trustee. The Series of 1976 Bonds will be secured under provisions of the Indenture, a copy of the proposed form of which is included in the Basic Legal Documents which accompany this Official Statement.

## Terms of Sale

Bids for the purchase of the \$1,210,000 principal amount of the Series of 1976 Bonds will be received by the Corporation at 10:00 A.M., Wednesday, May 19, 1976, at the Conference Room of Stone & Youngberg Municipal Financing Consultants, Inc., Suite 2750, One California Street, San Francisco, California. Details of the terms of sale are included in the Official Notice of Sale adopted by the Board of Directors of the Corporation on April 20, 1976.

## Description of the Bonds

The Bonds of the Series of 1976 will be dated May 1, 1976 and will bear interest, at a rate not to exceed 8 percent per annum, from their date, payable semiannually on November 1, 1976 and each succeeding May 1 and November 1. The Series of 1976 Bonds will mature on May 1 in each of the years in the designated principal amounts as shown in Table 1.

Table 1

### CARLSBAD UNIFIED SCHOOL DISTRICT EDUCATIONAL FACILITIES CORPORATION

#### Series of 1976 Bonds

#### Principal Maturities

Maturity Date May 1	Principal Amount	Maturity Date May 1	Principal Amount
1978 ...	\$ 20,000	1990 ...	\$ 50,000
1979 ...	20,000	1991 ...	55,000
1980 ...	25,000	1992 ...	60,000
1981 ...	25,000	1993 ...	65,000
1982 ...	25,000	1994 ...	70,000
1983 ...	30,000	1995 ...	75,000
1984 ...	30,000	1996 ...	80,000
1985 ...	35,000	1997 ...	85,000
1986 ...	35,000	1998 ...	90,000
1987 ...	40,000	1999 ...	100,000
1988 ...	40,000	2000 ...	110,000
1989 ...	45,000		

## Redemption Provisions

The Corporation shall have the right, on any date, to redeem the Series of 1976 Bonds as a whole, or in part by lot within each maturity then outstanding, from proceeds of insurance paid for loss or substantial damage to the Project Phase I facilities or proceeds of eminent domain proceedings, at the principal amount and accrued interest thereon to the date fixed for redemption, without premium.

Series of 1976 Bonds maturing on or before May 1, 1988, an aggregate principal amount of \$325,000, shall not otherwise be subject to redemption prior to their respective maturity dates.

Series of 1976 Bonds due on or after May 1, 1989, an aggregate principal amount of \$885,000, shall also be subject to redemption prior to their respective stated maturities, at the option of the Corporation, from any source of available funds, on any interest payment date on or after May 1, 1988. Such Series of 1976 Bonds are callable at the principal amount plus accrued interest plus a premium equal to: (a) one-fourth of one percent of said principal amount, plus (b) an additional one-fourth of one percent of said principal amount for each year or fraction of a year from the redemption date to the maturity date of the bonds. All of such Series of 1976 Bonds may be redeemed at any one time. If less than all of said bonds are redeemed at any one time, such bonds shall be redeemed in inverse order of maturities and by lot within a maturity.

### **Trustee and Paying Agents**

The United California Bank, Los Angeles, California, has been appointed by the Corporation as Trustee. The Trustee will receive all of the bond proceeds and will disburse bond moneys in conformity with the Indenture. In addition to holding and administering the various funds of the Corporation, the Trustee will invest the funds held in trust and will be the recipient of the rental revenues of the Corporation relating to the Project. The Trustee will also act as Paying Agent of the Corporation, paying bond interest and principal. The Trustee will act as bond registrar and will authenticate all registered bonds.

Interest and principal are payable in lawful money of the United States of America at the principal office of the Trustee, United California Bank, in Los Angeles, California, and in the case of coupon bonds, at the option of the holder at the principal office of Manufacturers Hanover Trust Company in New York, New York, or at the office of The Northern Trust Company in Chicago, Illinois.

### **Form, Denomination, and Registration**

The Series of 1976 Bonds will be issued as coupon bonds in the denomination of \$5,000, or as fully registered bonds in the denomination of \$5,000 or any multiple thereof so long as principal shall mature in only one year. Coupon bonds and fully registered bonds will be interchangeable at the office of the Trustee as provided for in the Indenture.

### **CUSIP Numbers**

It is anticipated that CUSIP numbers will be printed on the Series of 1976 Bonds but neither failure to print such numbers on any Series of 1976 Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Series of 1976 Bonds in accordance with the terms of the purchase contract. All expenses in relation to the assignment and printing of CUSIP numbers on the Series of 1976 Bonds shall be paid by the Corporation.

### **Litigation**

There is no litigation pending concerning the validity of the Bonds, and the Corporation will furnish to the successful bidder a no-litigation certificate certifying to the foregoing at the time of the delivery of the Series of 1976 Bonds.

The present California system of levying taxes and applying funds for public school purposes has been held unconstitutional under provisions of the California Constitution by a California Superior Court in *Serrano v. Priest*, and an appeal is pending before the California Supreme Court. The Superior Court judgment provides that the existing system of financing schools shall continue to operate for a reasonable length of time (not to exceed six years from 1974) so that a constitutional system can be placed into operation.

The outcome of this litigation, any resulting change in the sources of funds, including property taxation, applied to the support of public schools and any effect thereof on the moneys available to the District to pay rent under the Facility Lease which is the security on the Series of 1976 Bonds are not determinable at this time. However, it is not believed that such litigation will affect the validity of the Facility Lease during its term, even though such litigation may affect the ability of the District to levy the voted tax override.

### **Legal Opinion**

The legal opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, bond counsel to the Corporation, approving the validity of the Series of 1976 Bonds, will be furnished to the purchasers without charge at the time of the original delivery of the Series of 1976 Bonds. A copy of the legal opinion will be printed on each bond. See the

concluding paragraph of the "To Whom It May Concern" section of this Official Statement regarding the scope of bond counsel's review of this Official Statement.

Bond counsel's fee is payable from the proceeds of the bonds and is contingent upon bond delivery, except if the bonds are not issued and the project is abandoned, bond counsel will receive a fee based upon the amount of work performed to said time of abandonment.

## **Tax Exempt Status**

In the opinion of bond counsel, the interest on the bonds will be exempt from all present Federal income taxes under existing statutes, regulations, and court decisions, and the bonds will be exempt from all present taxation in California other than inheritance, estate, gift and franchise taxes.

## **Legality for Investment**

The Series of 1976 Bonds are eligible for security for deposits of public moneys in California.

## **Eligibility for National Banks**

A request is being made to the Comptroller of the Currency for a ruling that the Series of 1976 Bonds of the Corporation are eligible for purchase, dealing in, underwriting and unlimited holding by national banks. The ruling is expected prior to the date of sale of the Series of 1976 Bonds.

## **Sale of Bonds in California**

The Division of Corporation Finance of the United States Securities and Exchange Commission has issued a "no-action" letter to the Corporation stating that the Division of Corporation Finance will not recommend any action to the Securities and Exchange Commission if the proposed bond offering is made without prior compliance with the registration requirements of the Securities Act of 1933 or qualification of the Indenture under which the Series of 1976 Bonds are to be issued under the Trust Indenture Act of 1939. The Commissioner of Corporations of the State of California has issued an interpretive opinion stating that the Series of 1976 Bonds are exempt from the qualification requirement of Section 25110 of the California Corporate Securities Law of 1968. The Series of 1976 Bonds are being offered and sold without registration under the

Securities Act of 1933 or qualification of the Indenture under the Trust Indenture Act of 1939, and without qualification under the California Corporate Securities Law of 1968, in reliance upon such "no-action" letter and such interpretive opinion.

## **Resale of Bonds in Other States**

The Corporation will furnish to prospective purchasers an information memorandum covering applicability of blue-sky laws in all 50 states, the District of Columbia and Puerto Rico. The memorandum will indicate states in which no action is believed necessary to qualify the Series of 1976 Bonds for offer and sale, states in which the Corporation is taking action to qualify the Series of 1976 Bonds for offer and sale or to obtain exemptions, and states in which additional action is believed necessary to qualify the Series of 1976 Bonds for offer and sale. The purchaser will assume responsibility for any required permits and/or filing fees in states in which additional action is believed necessary, and for complying with the laws of all jurisdictions on resale of the Series of 1976 Bonds, and shall indemnify and hold harmless the Corporation and its officers and directors from any loss or damage resulting from any failure to comply with any such law.

## **Purpose of Issue**

The Series of 1976 Bonds are to be issued to finance the construction of school facilities at Carlsbad High School, Pine Elementary School, and Valley Junior High School ("Project Phase I"), all for lease to the Carlsbad Unified School District, San Diego County, California, as more fully described in "The Project" section of this Official Statement, page 14.

## **Security**

The Series of 1976 Bonds will be valid, binding, and legal general obligations of the Corporation secured under the Indenture by the assignment, transfer in trust, transfer of security interest in, and pledge of the trust estate, including the following, to the United California Bank, Los Angeles, California, as Trustee:

- (1) The leasehold estate of the Corporation in real property under the Site Lease (Project Phase I) between the District, as lessor, and the Corporation, as lessee;

(2) All rights, title, and interest of the Corporation under the Facility Lease (Project Phase I) between the Corporation, as lessor, and the District, as lessee; and

(3) All of the revenues derived by the Corporation from the use and operation of the Project Phase I to be acquired and constructed pursuant to the Site and Facility Leases.

Series of 1976 Bonds principal and interest coming due each year will be payable from semiannual base rental payments to be made by the District for use of the Project Phase I facilities. The District's annual base rental specified in the Facility Lease will be in an amount sufficient to pay principal and interest on the Series of 1976 Bonds. Based on the maximum interest rate of 8 percent that may be bid on the Series of 1976 Bonds, the District's maximum annual base rent would be \$117,000. The exact amount of the semiannual base rental payment payable by the District will be established subsequent to the determination of the interest rates the Series of 1976 Bonds will bear.

Under provisions of the Facility Lease, the District will also be obligated to pay to the Corporation additional rent, not to exceed \$5,000 annually, to meet administrative costs of the Corporation attributable to Series of 1976 Bonds.

**Authorized District Tax Rate Increase.** At an election held on May 27, 1975, voters of the District approved an increase of 9.8¢ per \$100 assessed valuation in the District's maximum annual tax rate over the period 1975/76 to 1999/2000 for the purpose of (1) preparing plans and specifications and (2) leasing buildings and school facilities to be constructed for use by the District on the following existing campuses: Carlsbad High School, Pine Elementary School, and Valley Junior High School.

The District is levying the 9.8¢ tax rate increase to pay in fiscal year 1975/76 the partial costs of planning fees, tests, and certain legal expenses associated with Project Phase I. These expenditures total \$125,900.

**Projected Revenue Base.** The District's maximum annual base rent payable to the Corporation in semiannual installments beginning October 15, 1977 is estimated at \$117,000 assuming an interest rate of 8% is bid on the Series of 1976 Bonds. The money derived from the District's lease authoriza-

tion tax levied in fiscal year 1976/77 will be used for the October 15, 1977 and April 15, 1978 lease payments. The money derived from subsequent fiscal year lease authorization taxes will be used for subsequent October 15 and April 15 lease payments up to and including April 15, 2000 in an amount sufficient to pay base rent obligations, and additional rent obligations not to exceed \$5,000 annually, pursuant to the Facility Lease (Project Phase I).

Over the five-year period 1971/72 through 1975/76 the District's assessed valuation for revenue purposes increased from \$70,212,034 to \$139,872,909, or at an annual average increase of approximately \$13,900,000. If the District's assessed valuation for revenue purposes should increase at the rate of approximately 50 percent of the annual average increase experienced over the five-year period 1971/72 through 1975/76 (\$6,900,000), the District's projected assessed valuation for revenue purposes for the five-year period beginning in 1976/77 (the first year in which the lease authorization tax will be levied to pay Project Phase I rent obligations) would be shown in the tabulation below.

Fiscal Year	Projected Assessed Valuation for Revenue Purposes \$ (1,000) ①
1976/77 .....	\$146,772
1977/78 .....	153,672
1978/79 .....	160,572
1979/80 .....	167,472
1980/81 .....	174,372

① Based on an increase from the 1975/76 assessed valuation for revenue purposes (\$139,872,909) at the annual rate of \$6,900,000, or approximately 50% of the average annual increase in assessed valuation for revenue purposes experienced by the District from 1971/72 to 1975/76.

**Projected Project Phase I Rental Tax Rate.** As previously stated, the District is empowered to levy the lease authorization tax at a rate not to exceed 9.8¢ per \$100 assessed valuation over the period 1975/76 to 1999/2000. It is estimated that the maximum annual rental for Project Phase I facilities will be \$122,000 consisting of \$117,000 base rent plus \$5,000 additional rent. Based on the present 1975/76 assessed valuation (\$139,872,909)

and a tax delinquency of 4% (3-year tax delinquency of 2.75% and a 1974/75 tax delinquency of 3.72 percent), the tax rate necessary to generate funds to meet annual maximum rental payments for Project Phase I facilities is 9.1¢ of the total voter approved 9.8¢ tax rate increase.

The tabulation below shows the estimated portion of the 9.8¢ per \$100 assessed valuation lease authorization tax which would be required to generate funds to meet annual maximum rental payments for Project Phase I facilities.

Fiscal Year	Projected Revenue Base <sup>①</sup> (\$1,000's)	Project Phase I Maximum Annual Rent <sup>②</sup>	Estimated Tax Rate per \$100 Revenue Base <sup>③</sup>
1976/77 ....	\$146,772	\$122,000	8.6¢
1977/78 ....	153,672	122,000	8.3¢
1978/79 ....	160,572	122,000	7.9¢
1979/80 ....	167,472	122,000	7.6¢
1980/81 ....	174,372	122,000	7.3¢

<sup>①</sup> Based on an increase from present revenue base at the annual rate of \$6,900,000 or approximately 50% of the average annual increase in revenue base experienced by District from 1971/72 to 1975/76.

<sup>②</sup> Based on maximum permitted interest rate of 8% on the Series of 1976 Bonds.

<sup>③</sup> Includes allowance for a 4 percent tax collection delinquency.

The maximum rental is based on the following assumptions: (1) actual Project Phase I construction costs as bid, (2) a bid of 8 percent per annum maximum interest rate on Bonds issued to finance the construction of Project Phase I school facilities, (3) funded interest during and for four months beyond the expected completion date of the facilities, and (4) the funding of a bond service reserve equal to estimated maximum annual debt service.

## Additional Series of Bonds

The Corporation does not, at this time, plan to issue additional series of bonds. Additional parity bonds may be issued under the Indenture (see page 11), and would be equally and ratably secured under the Indenture with the Series of 1976 Bonds.

## The Indenture

The following summary of major provisions of the Indenture under which the Series of 1976 Bonds will be secured is presented below. The summary does not provide a complete and detailed description of all provisions of the Indenture and prospective purchasers of the Series of 1976 Bonds are referred to the proposed form of Indenture contained in the Basic Legal Documents accompanying this Official Statement.

**The Trustee.** United California Bank, Los Angeles, California has been appointed by the Corporation as Trustee. The Trustee will receive all of the bond proceeds and revenues of the Corporation for disbursement in conformity with the Indenture. In addition to administering the various funds of the Corporation, the Trustee will invest all funds held in trust, act as paying agent for the Corporation's Series of 1976 Bonds and act as bond registrar.

**Creation of Special Funds.** The Indenture provides for the establishment of special trust funds, all to be held and administered by the Trustee. The funds applicable to the Series of 1976 Bonds and any additional series of bonds together with their sources and uses are summarized in the tabulation on page 10. Moneys held in the various funds may be invested by the Trustee under the provisions of Section 4.04 of the Indenture.

**Disposition of Bond Proceeds.** The Indenture provides that the proceeds from the sale of the Series of 1976 Bonds shall be deposited with the Trustee. The Trustee will then make the following deposits:

(1) *Interest Fund.* An amount sufficient to pay the interest accruing on the Series of 1976 Bonds on and before May 1, 1977.

(2) *Corporate Operation Fund.* The sum of \$10,000 which is to be maintained as working capital to pay Corporation administrative expenses, Trustee's fees, or other necessary administrative expenses.

(3) *Reserve Fund.* A sum equal to maximum annual debt service on the Series of 1976 Bonds.

(4) *Construction Fund.* The balance of proceeds from the sale of Series of 1976 Bonds which shall be applied to the payment of costs of Project Phase I.

When Project Phase I has been completed, a certificate of the Corporation stating the fact and date

of such completion, together with the Architect's certificate stating the fact and date of such completion, shall be delivered to the Trustee by the Corporation. With the receipt of these certifications the Trustee shall transfer any remaining balance not needed for Project Phase I purposes to the Revenue Fund.

**Revenue Fund.** All base rental revenue shall be paid to the Trustee and deposited by the Trustee to the credit of the Revenue Fund. Moneys in the Revenue Fund shall be disbursed, applied, or set aside by the Trustee in the following order of priority:

(1) *Interest Fund.* Commencing on or before October 31, 1977, and on or before April 30 and October 31 of each year thereafter an amount equal to the aggregate half-yearly amount of interest becoming due and payable on the outstanding Bonds on the next succeeding interest payment date, less any available balances in said fund.

(2) *Principal Fund.* On or before each October 31, beginning October 31, 1977, an amount at least equal to one-half of the Bond principal payable on the next succeeding May 1, and on or before each April 30, beginning April 30, 1978,

#### TRUST FUNDS, SERIES OF 1976 BONDS

Fund	Principal Source	Use
Construction Fund (Section 3.03) .....	Bond Proceeds	Construction, and incidental expenses of bond issuance and delivery.
Revenue Fund (Section 4.01) .....	District Base Rental Payments	Transfers to Interest Fund; Principal Fund; Operation and Maintenance Fund, if needed; Reserve Fund, if needed; and Corporate Operation Fund.
Interest Fund (Section 4.02(a)) .....	Transfers from Revenue Fund	Bond interest payments.
Principal Fund (Section 4.02(b)) .....	Transfers from Revenue Fund	Bond principal payments.
Operation and Maintenance Fund (Section 4.02(c)) .....	Transfers from Revenue Fund	To meet costs of operation and maintenance if at any time the Corporation shall operate and maintain the Project.
Reserve Fund (Section 4.02(d)) .....	Bond Proceeds and, if depleted, Revenue Fund	Bond principal and interest; payment of final maturities.
Corporate Operation Fund (Section 4.03) .	Bond Proceeds, District Additional Rental Payments, and transfers from Reserve Fund, if needed	Corporate operating expenses.

an amount which, along with any balance on deposit, shall be at least equal to the principal payable on the next succeeding May 1.

(3) *Operation and Maintenance Fund.* If the Corporation shall at any time operate the Project, on or before each April 30 and each October 31 the Trustee shall deposit an amount needed to provide for payment of all costs of operation and maintenance during the next six months.

(4) *Reserve Fund.* A Reserve Fund equal to maximum annual bond service will be created from the proceeds of the Series of 1976 Bonds and held by the Trustee. Moneys in this Fund shall be used to pay bond principal and interest in the event no other funds are available, and moneys in this Fund in excess of one-half of maximum annual debt service may be used for the repair, reconstruction, or replacement of any damaged or destroyed portion of the Project or for the loss of rental income not insured against because of the thirty-day deductible amount. Excess balances in this Fund shall be used to the extent needed to increase the balance in the Corporate Operation Fund to the amount required to be on deposit in said Fund and any remaining excess amounts shall be paid to the District, unless needed to be held for subsequent debt service.

Moneys in the Reserve Fund, Principal Fund, and Interest Fund may be used by the Trustee to reimburse the District for any rental payable under the Facility Lease for a period during which rent is abated and for which no other moneys (including proceeds of the rental interruption or use and occupancy insurance) are available.

**Corporate Operation Fund.** The Trustee shall deposit in the Corporate Operation Fund from time to time all amounts received in the form of additional rent sufficient to maintain a balance of \$10,000, said moneys to be used to pay all administrative costs of the Corporation.

**Investment of Funds.** Any moneys in any of the funds may be invested in time deposits including certificates of deposit of banks or in Federal securities, subject to limitations as set forth in the Indenture.

Moneys in the Revenue Fund may be invested in obligations which will mature within six months from the date of investment. Moneys in the Interest Fund and in the Principal Fund may be invested in obligations which will, as nearly as practicable, mature on or before the respective semiannual interest payment dates or annual Bond maturity.

Moneys in the Construction Fund and the Corporate Operation Fund may be invested in obligations which will mature within one year from the date of investment. One-half of the moneys in the Reserve Fund may be invested in obligations which will mature within ten years from the date of investment, and one-half in obligations which will mature within twenty years from the date of investment.

All interest earned on any such investment shall become part of the fund on which earned, except that such interest earnings received or accrued on Interest Fund and Reserve Fund moneys during construction of the Project shall be transferred to the Project Construction Account.

**Additional Series of Bonds.** Although the Corporation does not plan, at this time, to issue additional series of Bonds, Section 3.04 of the Indenture permits the issuance of one or more additional series of parity bonds by supplemental indenture(s) subject to, among other things, the following conditions:

(1) The Corporation shall not be in default under provisions of the Indenture;

(2) The supplemental indenture shall require that the additional series of bonds will be issued for the purposes of acquiring or constructing additional public school facilities for the District, or the making of additions, improvements, or extensions to the Project;

(3) The additional series of bonds shall have no priority over the Series of 1976 Bonds;

(4) The Corporation must enter into a new or amended Facility Lease with the District in which the District obligates itself to increase the base rental under all Facility Leases in amounts sufficient to provide for the payment of the principal of and interest on the additional series of bonds when due;

(5) Provision must be made to increase the Reserve Fund to an amount equal to at least the maximum annual bond service on all series of bonds to be outstanding thereafter.

**Title Insurance.** A policy of title insurance insuring either the leasehold interest title of the Corporation in the real property described in the Site Lease or the title of the District in such real property will be provided at or prior to delivery of the Series of 1976 Bonds. Said policy will be enforceable for the benefit of the bondholders in the principal amount of the Series of 1976 Bonds.

**Fire and Extended Coverage Insurance.** While any of the Bonds are outstanding, the Corporation shall cause to be maintained insurance against loss or damage to any structures constituting part of the Project by fire and lightning with extended coverage and vandalism and malicious mischief insurance. Such insurance shall either (1) be in an amount equal to the replacement cost of the structures subject to deductible clauses of not to exceed the lesser of \$100,000 or the excess of the available moneys in the Reserve Fund above one-half of maximum annual debt service for any one loss, or (2) be in an amount and in form sufficient to enable the Corporation either to retire all Bonds then outstanding or to restore the structures to the condition existing before such loss.

**Earthquake Insurance.** Upon completion of any part of the Project, the Corporation shall procure and maintain earthquake insurance in an amount equal to the replacement cost of the structures, provided coverage is available on the open market from reputable insurance companies. Such insurance may be subject to a deductible clause of not to exceed ten percent of said replacement cost for any one loss. (The construction contracts provide that the contractor shall provide earthquake insurance, subject to the 10% deductible, during construction.) Alternatively, the Corporation may provide earthquake insurance in an amount and form to enable the Corporation either to retire all Bonds then outstanding or to restore the structures to the condition existing before such loss.

**Use and Occupancy Insurance.** While any of the Bonds are outstanding, the Corporation shall cause to be maintained use and occupancy or rental interruption insurance to cover total or partial loss of rental income from any structure constituting the Project facilities resulting from damages discussed in the "Fire and Extended Coverage Insurance" and "Earthquake Insurance" paragraphs above in an amount sufficient to pay the total rental due for the period of time allowed for the construction of the structures by the construction contractors plus three months subject to a deductible clause of thirty days, except that such insurance need be maintained as to the peril of earthquake only following completion of construction and only if available on the open market from reputable insurance companies.

**Eminent Domain.** If all or any part of the trust estate shall be taken by eminent domain proceedings, or sold under threat thereof, the proceeds

therefrom shall be deposited with the Trustee and applied and disbursed as follows: (a) to be treated as revenues of the Project if the Project's operation has not been materially affected or the Corporation's ability to meet its obligations has not been impaired; or the proceeds shall be used if needed for repair or rehabilitation of the Project; (b) to be used to redeem Bonds if less than all of the Project shall have been taken by eminent domain and if the Project's operation has been materially affected, or the Corporation's ability to meet its obligations has been impaired; and (c) if all of the Project shall have been taken by eminent domain, the proceeds therefrom and any other available monies shall be used to redeem Bonds. If said monies are insufficient the Trustee shall apply the proceeds to meet the Trustee's costs of administration of its trusts under the Indenture, payment of principal and interest on the Bonds then outstanding, in full or ratably without preference or priority.

**Public Liability Insurance.** While any of the Bonds are outstanding the Corporation shall cause to be maintained public liability insurance. Minimum liability limits for such insurance are \$1,000,000 for personal injury or death of one person; \$3,000,000 for personal injury or death of two or more persons in each event; and \$200,000 subject to a deductible clause not to exceed \$5,000, for property damage from each event. Such public liability and property damage insurance may however be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks. Such liability insurance may be maintained in conjunction with any other liability insurance carried by the District.

**Non-Liability of Individuals.** No recourse shall be had for the payment of the principal of or the interest on the Bonds or for any claim based thereon or otherwise in respect thereof, or based on or in respect of the Indenture or any indenture supplemental thereto, against any incorporator, member, director or officer, as such, past, present or future, of the Corporation or of any predecessor or successor corporation, either directly or through the Corporation or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being by the acceptance of the Bonds and as part of the consideration for the issue thereof expressly waived and released, as provided in the Indenture.

**Additional Covenants.** The Indenture contains other covenants, including but not limited to, the following whereby the Corporation agrees to:

(1) Punctually pay the principal and interest on the Bonds as they become due;

(2) Promptly collect all rents and charges due for the occupancy or use of the Project and to enforce its rights against any tenant who does not pay such rents and charges as they become due;

(3) Maintain, or cause to be maintained, proper books of record and account;

(4) Maintain, or cause to be maintained, in good condition and repair the Project facilities;

(5) Construct and complete Project Phase I in conformity with the construction contract (under the construction contract 100% performance bonds and 100% labor and materialmen's bonds will be required of the contractor);

(6) Pay, discharge, or contest any taxes, assessments, or other charges upon the Project or the revenues.

### Estimated Annual Bond Service

Table 2 shows annual bond service on the Corporation's Series of 1976 Bonds based on the 8 percent maximum interest rate that may be bid on the Series of 1976 Bonds.

Table 2

#### CARLSBAD UNIFIED SCHOOL DISTRICT EDUCATIONAL FACILITIES CORPORATION

#### \$1,210,000 Principal Amount Series of 1976 Bonds

Year Ending May 1	Principal Outstanding May 1	Interest Nov. 1 at 8%	Interest May 1 at 8%	Principal Maturing May 1	Estimated Total Bond Service
1977 .....	\$1,210,000	\$ 48,400①	\$ 48,400①	\$ —	\$ 96,800①
1978 .....	1,210,000	48,400	48,400	20,000	116,800
1979 .....	1,190,000	47,600	47,600	20,000	115,200
1980 .....	1,170,000	46,800	46,800	25,000	118,600
1981 .....	1,145,000	45,800	45,800	25,000	116,600
1982 .....	1,120,000	44,800	44,800	25,000	114,600
1983 .....	1,095,000	43,800	43,800	30,000	117,600
1984 .....	1,065,000	42,600	42,600	30,000	115,200
1985 .....	1,035,000	41,400	41,400	35,000	117,800
1986 .....	1,000,000	40,000	40,000	35,000	115,000
1987 .....	965,000	38,600	38,600	40,000	117,200
1988 .....	925,000	37,000	37,000	40,000	114,000
1989 .....	885,000	35,400	35,400	45,000②	115,800
1990 .....	840,000	33,600	33,600	50,000②	117,200
1991 .....	790,000	31,600	31,600	55,000②	118,200
1992 .....	735,000	29,400	29,400	60,000②	118,800
1993 .....	675,000	27,000	27,000	65,000②	119,000
1994 .....	610,000	24,400	24,400	70,000②	118,800
1995 .....	540,000	21,600	21,600	75,000②	118,200
1996 .....	465,000	18,600	18,600	80,000②	117,200
1997 .....	385,000	15,400	15,400	85,000②	115,800
1998 .....	300,000	12,000	12,000	90,000②	114,000
1999 .....	210,000	8,400	8,400	100,000②	116,800
2000 .....	110,000	4,400	4,400	110,000②	118,800
<b>Total .....</b>		<b>\$787,000</b>	<b>\$787,000</b>	<b>\$1,210,000</b>	<b>\$2,784,000</b>

① Funded from Bond Proceeds.

② Callable on or after May 1, 1988.

# THE PROJECT

## Proposed Facilities

Proceeds from the sale of the \$1,210,000 Series of 1976 Bonds currently being offered for sale by the Carlsbad Unified School District Educational Facilities Corporation will be used to finance the construction of the following new school facilities: (1) an art building and expansion of kitchen and food service area at Carlsbad High School, (2) a food serving area building at Pine Elementary School, and (3) a shower and locker building addition at Valley Junior High School.

## Project Implementation

On April 1, 1976 the Educational Facilities Corporation received sealed competitive bids for construction at Pine Elementary School and Valley Junior High School. The low bid was submitted by Louetto Construction, Inc. of Escondido, California in the amount of \$373,700.

On April 8, 1976 the Educational Facilities Corporation received sealed competitive bids for the construction at Carlsbad High School. The low bid plus accepted alternates was submitted by Larmor Development Company of Santa Ana, California in the amount of \$431,822.

Upon delivery of the Bonds, the Corporation will enter into construction contracts with Louetto Construction, Inc. and Larmor Development Company for the above described facilities. The State Office of Architecture and Construction has approved the plans and specifications for the Project Phase I facilities and has certified their conformance to fire, safety, and earthquake structural safety standards. Completion of all facilities is expected by mid-January of 1977. The tabulation on this page shows estimated costs of the Project Phase I and Bond issue requirements.

A labor and materials bond of 100% of the contract amount and a performance bond of 100% of the contract amount is required of each contractor. Each contractor is also required by the construction

contract to carry fire, lightning, vandalism, malicious mischief, and extended coverage, public liability and property damage, and workmens' compensation insurance during the construction period and until the buildings have been accepted by the District and the Corporation. Each contractor is required to maintain earthquake insurance during the construction period, against loss or damage by earthquake in an amount not less than the full insurable value of the properties, subject to a 10% deductible clause for any loss.

## CARLSBAD UNIFIED SCHOOL DISTRICT Project Costs and Bond Issue Requirements

Construction .....	\$ 805,522
Partial architect fees and State Planning	
Fees① .....	53,500
Testing and inspection .....	34,000
Utility connection services .....	2,500
Construction contingency at 4 percent	35,818
Costs of Bond Issuance .....	60,000
Corporate Operation Fund .....	10,000
Subtotal .....	\$1,001,340
Add: Funded interest at 8 percent for	
12 months .....	96,800
Bond Service Reserve (maximum annual bond service) .....	119,000
Total Project Costs .....	\$1,217,140
Less: Investment of Bond Proceeds During Construction at 4½ percent	
A. Construction Fund .....	\$ 1,476
B. Reserve Fund .....	3,123
C. Funded Interest Account ..	2,541
Subtotal .....	\$ 7,140
PROPOSED BOND ISSUE .....	\$1,210,000

① See "Authorized District Tax Rate Increase" Section page 8.

# **DISTRICT ORGANIZATION AND FINANCIAL DATA**

The information contained herein concerning the Carlsbad Unified School District is included because the District is the proposed lessee of Project Phase I. However, the Series of 1976 Bonds are bonds of the Corporation and are not a debt or obligation of the District.

The District provides elementary and secondary school educational services to residents of a 32.2 square-mile area in northwestern San Diego County that includes most of the City of Carlsbad, a small portion of the City of Oceanside, and certain unincorporated areas. The District has operated as a unified school district under the laws of the State of California since its formation on July 1, 1971, at which time all of the former Carlsbad Union School District and part of the former Oceanside-Carlsbad Union High School District were consolidated to form the present District. The District is governed by an independent Board of Trustees of five members who are elected at large for overlapping four-year terms. The Superintendent, who is appointed by the Board of Trustees, administers the District's affairs in accordance with policies of the Board of Trustees. The present superintendent, Mr. Robert A. Crawford, has served the District in this capacity since July 1, 1974. Mr. Crawford has had more than 15 years of professional experience in public education and administration.

## **Facilities and Attendance**

The District's facilities include 4 elementary schools, 1 junior high school, 1 senior high school and 1 continuation school. The District's total 1975/76 budget, which exceeds \$9,500,000 provides for the employment of 14 administrative, 206 full-time certificated, 155 full-time classified and 22 part-time certificated and classified employees. The District estimates 1975/76 enrollments at 4,416. Table 3, page 16, shows District assessed valuations,

average daily attendance, and assessed valuation per student in average daily attendance since 1971/72. These data indicate the District's assessed valuation increased approximately 99.2 percent and assessed valuations per unit of average daily attendance increased approximately 90.7 percent. Average daily attendance estimated at 4,296 in 1975/76 represents an increase of approximately 4.4 percent since 1971/72.

## **Assessed Valuations**

The San Diego County Assessor assesses property for District tax purposes. The State Board of Equalization reports that the 1975/76 San Diego County assessed valuations average 24 percent of full market value, except for public utility property, which is assessed by the State at 25 percent of full value.

Under California law, two types of exemptions of property from ad valorem taxes became effective in the 1969/70 fiscal year. One exempts 50 percent of the value of business inventories from ad valorem taxes. The other provides for an exemption of \$1,750 of the assessed valuation of an owner-occupied dwelling if the owner files for the exemption. Under a recently enacted Constitutional Amendment, the California Legislature can raise this exemption. Revenue estimated to be lost to each taxing entity as a result of such exemptions is fully reimbursed to the taxing entity from state funds. The reimbursement is based upon total taxes which would be due on the assessed valuation of the property qualifying for these exemptions, without allowance for tax collection delinquencies.

In 1975/76, District homeowners' and business inventory exemptions totaled \$8,006,962. Table 4, page 16, shows a five-year history of the District's assessed valuations by the tax roll prior to deductions for the two previously discussed special exemptions.

**Table 3****CARLSBAD UNIFIED SCHOOL DISTRICT****Assessed Valuation and Average Daily Attendance**

Fiscal Year	Assessed Valuation	Average Daily Attendance <sup>①</sup>	Assessed Valuation Per Unit Average Daily Attendance
1971/72 .....	\$ 70,212,034	4,113	\$17,071
1972/73 .....	83,316,642	3,947	21,109
1973/74 .....	97,082,447	3,993	24,313
1974/75 .....	116,096,177	4,287	27,081
1975/76 .....	139,872,909	4,296 <sup>②</sup>	32,559

<sup>①</sup> Includes summer enrollments.

<sup>②</sup> Estimated during the period September 1975 through June 1976.

Sources: San Diego County Auditor and Controller (Assessed Valuations), and Carlsbad Unified School District (Average Daily Attendance).

**Table 4****CARLSBAD UNIFIED SCHOOL DISTRICT****Assessed Valuations by Tax Roll**

Tax Roll	1971/72	1972/73	1973/74	1974/75	1975/76
Secured roll .....	\$51,978,624	\$61,780,268	\$70,317,898	\$ 85,794,617	\$104,031,833
Unsecured roll .....	4,245,890	4,916,494	4,989,959	5,971,540	6,434,516
Utility roll .....	13,987,520	16,619,880	21,774,590	24,330,020	29,406,560
Total .....	\$70,212,034	\$83,316,642	\$97,082,447	\$116,096,177	\$139,872,909

Source: County Auditor-Controller.

**Revenue Limitations**

Since 1973/74, California school districts have operated under general purpose property tax revenue limitations established in legislation adopted in 1973. This legislation, however, does not affect a voter-approved maximum tax rate increase approved to enable a school district to lease facilities for its use and occupancy.

Since 1973/74 allowable annual general purpose tax rates to be applied to a district's assessed valuation have been derived from a statutory formula which takes into account a number of factors includ-

ing adjustments for inflation, limited mandatory contributions to the Teachers' Retirement System, basic state aid, state equalization aid, changes in average daily attendance, and prior years tax collections. The tax required to raise the general purpose moneys is the District's maximum general purpose tax rate.

The District's revenue limit per unit of average daily attendance and general purpose tax rate in 1974/75 were: \$1,211.19 and \$3.835, respectively.

In 1975/76, the revenue limit per unit of average daily attendance is \$1,274.02 with a general purpose tax rate of \$3.821.

## Tax Rates

The 1975/76 District total tax rate per \$100 assessed valuation is \$4.241. The tabulation below shows a distribution of the 1975/76 tax rate by purposes.

### CARLSBAD UNIFIED SCHOOL DISTRICT

#### 1975/76 Tax Rate Distribution by Purpose

Purpose	Rate
General Non-Categorical .....	\$3.821
Bond Interest and Redemption .....	.227
Other Categorical <sup>①</sup> .....	.193
Total .....	\$4.241

<sup>①</sup> Includes \$0.095 for Community Services and \$0.098 for lease of school facilities.

Source: County Auditor-Controller.

Table 5 shows the Carlsbad Unified School District Tax Rate for the past five year period. The District's total tax rate during this period has ranged from \$4.239 to \$5.244.

There are 26 tax code areas in the District, 22 located in incorporated areas and 4 in unincorporated areas. Tax Code Area 9000 (1975/76 assessed valuation \$91,975,740) is the largest in incorporated areas, and Tax Code Area 62006 (1975/76 assessed valuation \$3,500,364) is the largest in unincorporated places. All tax rates per \$100 assessed valuation in these two code areas are presented in the accompanying tabulation.

Total 1975/76 tax rates per \$100 assessed valuation in the District's 26 code areas range from a low of \$9.108 to a high of \$11.516.

### CARLSBAD UNIFIED SCHOOL DISTRICT

#### Tax Code Areas 9000 and 62006

#### 1975/76 Tax Rates

Tax Agency	Code Area 9000	Code Area 62006
San Diego County .....	\$ 2.621	\$2.621
City of Carlsbad .....	.1.930	—
County Library .....	—	.173
Carlsbad Unified School District <sup>①</sup> .....	4.112	4.112
Other Education, Grades K-12 .....	.219	.219
Community College District .	.771	.771
Tri-City Hospital District ..	.269	.269
Carlsbad Municipal Water District .....	.230	.560
Metropolitan Water District .	.140	.140
County Water Agency .....	.110	.110
Other Special Tax Districts..	.129	.129
Total, All Property ..	\$10.531	\$9.104
Land only rate:		
Palomar Resource Conservation District .....	—	.004
Total, All Rates .....	\$10.531	\$9.108

<sup>①</sup> An additional \$0.129 is levied in 11 tax code areas to retire elementary school bonds.

Source: County Auditor-Controller.

Table 5

### CARLSBAD UNIFIED SCHOOL DISTRICT

#### Property Tax Rates

	1971/72	1972/73	1973/74	1974/75	1975/76
General Non-Categorical .....	\$4.100	\$4.097	\$4.545	\$3.835	\$3.821
Bond Interest and Redemption .....	.305	.373	.329	.263	.227
Other Categorical .....	.839	.707	.117	.141	.193
Total .....	\$5.244	\$5.177	\$4.991	\$4.239	\$4.241

Source: County Auditor-Controller.

## Tax Levies, Collections, and Delinquencies

District ad valorem taxes are collected by the San Diego County Tax Collector at the same time and on the same rolls as county and city taxes. Secured taxes are due in two installments on November 1 and March 1 and become delinquent on December 10 and April 10, respectively. Taxes on properties appearing on the unsecured roll are assessed on March 1 and become delinquent the following August 31. Table 6 shows the District's four-year history of secured tax levies, current year tax delinquency, and total collections.

## Major Taxpayers

The largest taxpayer in the District is the San Diego Gas and Electric Co., whose Encina Power Plant has a 1975/76 assessed valuation of \$26,309,560. This is nearly 19 percent of the District's total assessed valuation.

The San Diego County Assessor has analyzed taxable parcels in the City of Carlsbad by land use categories and the corresponding estimated market values for the past two tax years. On the local secured roll for 1975/76, aggregate market values are \$478,443,000, of which residential parcels constitute \$362,178,000, commercial parcels \$53,201,000, industrial parcels \$19,902,000, and all other, \$43,162,000. On a comparable basis, full market values for utility properties assessed by the State Board of Equalization would amount to \$117,875,000.

Combining secured values developed by the County Assessor and the State Board of Equalization, and putting both on a full market value basis for comparability, total secured values for 1975/76 in Carlsbad amount to an estimated \$596,318,000. Residential parcels, in the aggregate, account for slightly less than 61 percent of this total, representing the bulk of secured tax revenue to the city.

A review of 1974/75 assessed valuations within the District by the District staff indicates that residential properties and vacant land pay approximately 69 percent of school taxes, while business and commercial properties account for about 31 percent.

## General Fund Revenues and Expenditures and Fund Balances

On July 1, 1971 certain assets, liabilities, and fund balances relating to Carlsbad High School of the Oceanside-Carlsbad Union High School District, and all of the assets, liabilities, and fund balances of the Carlsbad Union School District were reorganized into the Carlsbad Unified School District. Table 7, page 19, summarizes the District's General Fund revenues and expenditures over the four fiscal years of its operation, and presents the 1975/76 final General Fund budget.

A summary of the District's fund balances as of June 30 for each of the past four years of District operations is also presented on page 19.

**Table 6**  
**CARLSBAD UNIFIED SCHOOL DISTRICT**  
**Secured Tax Levies and Tax Delinquency<sup>④</sup>**

Fiscal Year	Secured Tax Levy <sup>①</sup>	Amount Delinquent June 30	Percent Delinquent June 30	Total Collections June 30 <sup>②</sup>	Percent Collected <sup>③</sup>
1971/72 .....	\$3,172,620	\$ 62,309	1.96%	\$3,164,744	99.75%
1972/73 .....	3,672,166	50,180	1.37	3,721,831	101.35
1973/74 .....	4,041,085	127,875	3.16	4,041,877	100.02
1974/75 .....	4,152,299	154,396	3.72	4,113,425	99.06

<sup>①</sup> Opening charge (unadjusted).

<sup>②</sup> Includes apportionments for prior years, as reported by the County Superintendent of Schools.

<sup>③</sup> Percent of secured tax levy.

<sup>④</sup> District became a taxing entity on July 1, 1971.

Source: County Auditor-Controller.

**Table 7****CARLSBAD UNIFIED SCHOOL DISTRICT****Summary of General Fund Revenues and Expenditures 1971/72—1974/75<sup>③</sup>****District General Fund Budget 1975/76**

	1971/72	1972/73	1973/74	1974/75	1975/76 Budget
<b>Revenues:</b>					
Federal Income .....	\$ 265,303	\$ 264,711	\$ 243,169	\$ 268,654	\$ 254,300
State Income .....	1,015,085	982,881	1,133,323	1,201,212	981,675 <sup>①</sup>
County Income .....	33,832	37,365	95,495	82,467	73,000
Property Taxes .....	3,349,070	3,879,877	4,220,078	4,242,347	5,167,006 <sup>②</sup>
Other Local Income .....	36,097	68,059	120,740	145,618	463,005
Incoming Transfers .....	859,941	—	—	65,583	59,300
<b>Total</b> .....	<b>\$5,559,328</b>	<b>\$5,232,893</b>	<b>\$5,812,805</b>	<b>\$6,005,881</b>	<b>\$6,998,286</b>
<b>Expenditures:</b>					
Certificated Salaries .....	\$2,930,015	\$2,998,305	\$3,338,025	\$3,809,944	\$3,905,080
Classified Salaries .....	789,160	912,261	1,062,941	1,303,478	1,302,224
Employee Benefits .....	311,857	363,873	458,969	552,244	604,000
Books, Supplies, Equipment Replacement	322,339	300,321	349,294	499,362	358,834
Contracted Services and Other Operating Expenses .....	253,951	259,980	297,533	297,802	324,154
Capital Outlay .....	185,179	169,506	215,253	245,221	97,189
Debt Service, State School Building Fund	31,492	33,672	40,691	41,928	125,900
Outgoing Transfers, Tuition .....	1,866	4,500	7,279	9,500	1,100
Appropriation for Contingencies .....	—	—	—	—	436,481
<b>Total</b> .....	<b>\$4,825,859</b>	<b>\$5,042,418</b>	<b>\$5,769,985</b>	<b>\$6,759,479</b>	<b>\$7,154,962</b>

<sup>①</sup> Does not include approximately \$281,000 of state reimbursable exemptions.

<sup>②</sup> Budgeted property taxes include approximately \$281,000 of state reimbursable exemptions.

<sup>③</sup> District became a taxing entity on July 1, 1971.

**Fund Balances as of June 30**

Name of Fund*	1971/72	1972/73	1973/74	1974/75
General Fund .....	\$ 733,469	\$ 966,913	\$1,015,542	\$ 276,676
Bond Interest and Redemption Fund .....	209,744	191,291	200,697	190,785
State School Building Fund .....	9,116	(22,865)	2,584	132,992
Building Fund .....	13,739	8,150	—	—

\* Does not include two student body funds, which had a combined unappropriated surplus of \$7,180 at June 30, 1975.

Source: District Audit Reports.

## Pension Plans

Certificated personnel are covered by the State Teachers' Retirement System (STRS), while classified personnel are enrolled in the State Public Employees' Retirement System (PERS). Under the latter plan, part-time personnel must work more than 50 percent of the work week to become eligible for retirement benefits. In fiscal 1974/75 the District's contribution to STRS was \$181,184 on certificated personnel salaries of \$3,809,944, and the contribution to the PERS plan was \$105,262 on classified personnel salaries of \$1,303,478 (District Supplied).

Both systems are operated on a statewide basis. Records are maintained in such a way that information relating to vested benefits, unfunded vested benefits, and prior service costs are not available for the District.

*The State Teachers' Retirement System* (Section 13801 *et seq.* of the Education Code) is administered by the State of California with contributions from both employees and employers. The State of California also contributes \$135,000,000 annually until the year 2002; subject to annual legislative appropriation. This \$135,000,000 annual authorization will amortize by the year 2002 the unfunded liabilities incurred prior to 1972 (\$1,747,624,637).

The actuarial method used is a projected benefit cost method where level normal rates sufficient to fund benefits over the entire service life of members are computed. The contribution rates are established to fund current service and interest on the unfunded liabilities not being amortized by the state contribution (\$6,257,975,000). The System's financial statements are prepared on the accrual basis (Annual Financial Report State Teachers' Retirement System, 6/30/74).

As of June 30, 1975, the total unfunded liabilities of the State Teachers' Retirement System were: \$1,747,624,637 (State contribution which is being amortized by the \$135,000,000 annual contribution) and \$6,257,975,000 (member contribution on which interest is being amortized). This unfunded total liability is \$8,005,599,637 (Annual Financial Report, State Teachers' Retirement System, 6/30/75). In 1972, legislation (AB 543) was passed to put the System on a fully funded basis over a period of

thirty years. The State Teachers' Retirement System reports that further changes in the contribution rates are now under study.

The Teachers' Retirement System's actuary is Milliman and Robertson, Inc. of Seattle, Washington. The System's Investment Counsel for equities is B A Investment Management Company, San Francisco, California. The System's auditor is Coopers and Lybrand, Sacramento, California.

*Public Employees' Retirement System* (Section 20,000 *et seq.* of the Government Code) includes State and other public employers and employees. The Public Employees' Retirement System funding is by each member and each State and public agency employer through member and employer contribution. The State of California makes an annual contribution of approximately \$265,000,000. This amount fluctuates yearly depending upon among other things, the number of members and their respective salary schedules. The combined assets and prospective contribution of both member and employer at the established rates are expected to effect funding of The Public Employees' Retirement System's current and prospective liabilities (Annual Financial Report, Public Employees' Retirement System, 6/30/74).

The unfunded liabilities as of the June 30, 1974 Financial Report were \$4,907,998,387 composed of approximately \$2,800,000,000 of unfunded State liabilities and approximately \$2,100,000,000 of unfunded agency member liabilities. The legislature increased contribution rates as of July 3, 1975. The legislative action (Government Code 20741) will allow for further increases to maintain the fund in sound actuarial condition (Government Code 20741). Present Public Employees' Retirement System policy is designed to satisfy the unfunded obligation by the year 2000 (Source: Retirement System).

The Public Employees' Retirement System's actuarial review is done internally. The System's Investment Counsel is Citicorp Investment Management, Inc. Coopers and Lybrand is the System's auditor.

## Bonded Indebtedness

The County Auditor's office reports that as of May 1, 1976, the Carlsbad Unified School District will have general obligation bonds outstanding amounting to \$2,683,095.

## Direct and Estimated Overlapping Bonded Debt

The District's general obligation bonding capacity is equal to 10 percent of its assessed valuation after all exemptions except homeowners' and business inventory, as adjusted by the Collier Factor. The Collier Factor is a comparison of a county's assessment level with the statewide average ratio. The factor is used to offset differences in assessment levels for intercounty school districts and conforms assessment to the statewide average assessment level for all property. The District's bonding capacity as of May 1, 1976 as determined by the County Auditor is \$11,027,962.

The State of California Education Code as applied to this transaction provides that a unified school district shall not enter into any long term leases of buildings if the combination of: (a) 50 percent of the District's rental payments under such leases, plus (b) the outstanding district general obligation bonded indebtedness, exceeds 12.5 percent of the district's net taxable assessed valuation plus homeowners' and business inventories exemptions.

Based on the District's 1975/76 assessed valuation for this purpose (\$139,872,909) the 12.5 per-

cent limit of anticipated lease rentals and general obligation bonded debt equals \$17,484,113. The maximum aggregate lease rentals payable by the District under the Project Phase I Facility Lease include: (a) base rental of \$2,691,000, assuming the permitted maximum interest rate of 8 percent is bid on the Series of 1976 Bonds, and (b) additional rent not to exceed \$5,000 per year over the term of the Project Phase I Facility Lease, or \$115,000 in the aggregate. Fifty percent of the District's lease rentals (\$1,403,000) plus general obligation bonded debt (\$2,683,095) will approximate 23 percent of the District's general obligation bonded debt and lease rental limitation of \$17,484,113.

The direct and estimated overlapping bonded debt of the District is shown in Table 8, page 22. The \$1,210,000 principal amount of the Corporation's Series of 1976 Bonds is shown for informative purposes only since bonds of the Corporation are not a debt or obligation of the District.

As of June 30, 1975, the District's State School Building Aid repayable amounted to \$170,451. The District's share of authorized and unsold bonds as of May 19, 1976 is as follows: Metropolitan Water District (\$1,288,450); Carlsbad Municipal Water District, various Improvement Districts (\$285,404); Tri-Cities Hospital District (\$669).

Table 8

## CARLSBAD UNIFIED SCHOOL DISTRICT

Statement of Direct and Estimated Overlapping Bonded Debt<sup>①</sup>

Estimated Population .....	22,000	
1975/76 Assessed Valuation .....	\$139,872,909 <sup>②</sup>	
Estimated Real Value .....	\$577,900,000 <sup>③</sup>	
		Estimated Debt Applicable May 19, 1976
Public Entity	Percent Applicable	
San Diego County .....	2.458%	\$ 112,576
San Diego County Building Authorities .....	2.458	674,844
San Diego County Water Authority .....	2.582	1,412,612
Metropolitan Water District .....	0.353	1,921,280
Oceanside-Carlsbad Community College District .....	47.250	779,625
Carlsbad Unified School District .....	100.	3,887,424 <sup>④</sup>
Other School Districts .....	Various	3,337
Northern San Diego Hospital District and Authority .....	0.085	17,391
Tri-Cities Hospital District .....	33.450	1,172,423
Leucadia County Water District .....	12.837	179,718
City of Carlsbad and Building Authority .....	79.305	2,835,154
City of Oceanside and Small Craft Harbor .....	2.612	295,548
Carlsbad Municipal Water District #1, 2, 3, 4 .....	61.708-99.847	2,069,441
GROSS DIRECT AND OVERLAPPING BONDED DEBT .....		\$15,361,373
Less: City of Oceanside Water Bonds (100% s.s.) .....		26,642
City of Carlsbad Sewer Bonds (100% s.s.) .....		1,217,331
TOTAL NET DIRECT AND OVERLAPPING BONDED DEBT .....		\$14,117,400

	Ratio to		
	Assessed Valuation	Estimated Real Value	Per Capita
Assessed Valuation .....	—	—	\$6,357
Direct Debt .....	2.78%	0.67%	\$ 177
Net Direct and Estimated Overlapping Bonded Debt .....	10.09%	2.44%	\$ 642

<sup>①</sup> Compiled in cooperation with California Municipal Statistics, Inc.

<sup>②</sup> The 1975/76 assessed valuation is before deduction of \$8,006,962 homeowners' and business inventory exemption, the taxes on which are paid by the State of California.

<sup>③</sup> State Board of Equalization reports that 1975/76 San Diego County Assessed Valuation averaged 24 percent of full market value. Public utility property (\$29,406,560) is assessed at 25 percent of full market value by the State Board of Equalization.

<sup>④</sup> Includes \$1,210,000 Series of 1976 Bonds to be sold on May 19, 1976, which, being bonds of the Corporation and not of the District, are included for informative purposes only.

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# ECONOMY OF THE DISTRICT

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The Carlsbad Unified School District is located on the Pacific coastline of northwestern San Diego County, between the communities of Oceanside and Encinitas. It encompasses 32.2 square miles, including approximately 80 percent of the land area of the City of Carlsbad, a small portion of the City of Oceanside, and certain unincorporated areas east and south of Carlsbad. The District is approximately 35 miles north of San Diego, 90 miles south of Los Angeles, and 485 miles south of San Francisco.

In 1887 springs were discovered in the area bearing practically the same mineral content as the waters of Karlsbad, Bohemia, hence the name (subsequently anglicized) given to the locality. The City of Carlsbad, incorporated in 1952, is fast becoming a center for light manufacturing, with electronics firms predominant in the local industrial structure. Carlsbad is largely oriented to families in the medium to upper income brackets. Household income is above the county average and above prevailing levels in surrounding communities.

This portion of the Official Statement describes the District, the City of Carlsbad, and Metropolitan San Diego.

## Population, Housing, and Income

As of April 1, 1975, the City of Carlsbad had a population of 19,391, based on a special census by the State Department of Finance. This is 4,447 greater than the 1970 Federal Census, or an increase of nearly 30 percent during the five-year period. Between 1950 and 1960 the population of the city more than doubled, and increased another 61.5 percent in the ensuing decade. In the past 15 years the

city's growth rate has been approximately double that of the county as a whole, as noted in the tabulation on page 24.

Boundaries of the District closely approximate those of Subregional Area 43, a geographical unit utilized for statistical and economic studies by the Comprehensive Planning Organization of the San Diego Region. Based on the results of the 1975 special census in this statistical area, it is estimated by the District staff that the District has a present population of 22,000 persons.

In the 1975 census, the State Department of Finance estimated that Subregional Area 43 had a population of 21,686, up 33.2 percent from the 1970 Federal Census. This growth rate is higher than that in the City of Carlsbad, indicating a faster rate of gain for unincorporated areas within the District.

The 1975 census reported 9,992 housing units for Subregional Area 43, compared with 5,812 in 1970. Of the total housing units, about 47 percent are single family dwellings, 43 percent are multifamily units, and the remainder are mobile homes. (Carlsbad has two ultra-modern mobile home parks.)

At the time of the 1970 Federal Census, the median income for all households in San Diego County was \$6,595; in the Carlsbad area (Subregional Area 43) it was \$8,983. In the 1975 special census, median household income in the county was \$10,982, while the Carlsbad area reported \$12,474. Over 180 Carlsbad households have annual incomes of \$40,000 or more, according to the special census. More than 50 percent of the 5,352 household heads responding to the question on education reported that they had one or more years of college, with 1,360 persons holding graduate or postgraduate degrees.

## CITY OF CARLSBAD AND SAN DIEGO COUNTY

### Population Growth 1950-75

Year	City of Carlsbad	Percent Change	San Diego County	Percent Change
1950 .....	4,383 <sup>①</sup>	—	556,808	—
1960 .....	9,253	111.1%	1,033,011	85.5%
1970 .....	14,944	61.5	1,357,854	31.4
1975 .....	19,310	29.2	1,537,717	13.2

<sup>①</sup> Unincorporated.

Sources: 1950-1970 U.S. Bureau of the Census. 1975 Special census by California Dept. of Finance.

## Employment

As noted previously District boundaries are nearly identical with those of Subregional Area 43, a geographical unit of the Comprehensive Planning Organization of the San Diego Region. According to this organization's "1972 Employment Inventory", a total of 6,470 persons were employed in the area at the time of the survey. The principal categories of employment were trade, services, construction, government, and manufacturing. Approximately one-third of all employed persons were in wholesale and retail trade. A summary of the employment inventory appears on this page as compiled by the Comprehensive Planning Organization.

Manufacturing employment within the District has expanded substantially since the 1972 employment inventory, and now numbers in excess of 1800 workers. This is reflected in the list of large employers in the District, appearing on page 25.

Based on the results of the 1975 countywide special census, over two-thirds of employed District residents work in Carlsbad, Oceanside, or Camp Pendleton. About 15 percent are employed in the neighboring communities of Vista, San Marcos, Fallbrook, Escondido, and San Dieguito. Over 300 persons commute to jobs in San Diego, and a larger number said they work elsewhere in San Diego County, or commute to Orange, Los Angeles, or Riverside Counties.

The San Diego Labor Market Bulletin reports that the San Diego County adjusted and unadjusted unemployment rates as of February, 1976 were 11.4% and 12.4%, respectively.

## CARLSBAD UNIFIED SCHOOL DISTRICT

### Total Civilian Employment by Industry

Industry	Sites	Employ- ment
Agriculture .....	30	363
Construction .....	88	723
Manufacturing .....	18	546
Transportation, Utilities .....	15	356
Trade .....	127	2,158
Finance, Insurance, Real Estate..	23	110
Services .....	100	880
Government .....	25	666
Other Non-Agriculture .....	203	668
Total .....	629	6,470

Source: Comprehensive Planning Organization of the San Diego Region.

## Largest Employers in the District

Company	Product/Service	No. of Employees
Plaza Camino Real	Shopping center	625
Hughes Aircraft Co., Industrial Products Division	Industrial products	531
Burroughs Corporation	Computer components	450
Carlsbad Unified School District	Education	397
Sargent Industries, Stillman Seal Division	Seals, molded rubber products	335
Frazeer Flowers, Inc.	Nursery	250
City of Carlsbad	Government	213
Summa Corp., Hughes Helicopter Division	Helicopter assembly, testing	100
Dyna-Med, Inc.	Emergency medical supplies	90
Beckman Instruments, Inc.	Microbics, biochemicals	75
San Diego Gas & Electric, Encina Plant	Utility	70
Lancer Pacific	Orthodontic products	50
Magnedyne Inc.	Electric motors	50

Source: Carlsbad Chamber of Commerce.

## Industry

The District contains substantial tracts of industrial land, particularly along Interstate 5 at Palomar Road and in the vicinity of Palomar Airport. A number of nationally recognized firms have relocated operations from other areas. The Microbics Division of Beckman Instruments moved its enzyme manufacturing facility from Alhambra in 1973, and now occupies a modern plant west of El Camino Real, about one mile northeast of the Airport. The Stillman Seal Division of Sargent Industries relocated from Culver City to Carlsbad in 1974, occupying a site west of Interstate 5, near the Encina Power Plant of San Diego Gas & Electric Co. Hughes Aircraft Co. is currently transferring a major part of its operations from Oceanside to Carlsbad.

The Palomar Airport Business Park, a joint venture of Cabot, Cabot & Forbes, Mitsui & Co. (USA), and Mitsui Fudosan (USA) Inc., is now being developed south of the airport. The seven-year project began in June 1974. According to the developer, this planned industrial development covers 340 acres, and will have a total estimated value of \$50 million when completed. At full development, some 150 companies are expected to employ an estimated 5,000 people at this location. In 1975 buildings were completed for Dyna Med, Inc., a producer of

medical supplies, and for Pacific Telephone Co. The latter is a telephone switching facility. In addition the developer completed a building of 43,000 square feet which has been leased.

Hughes Aircraft Co., the District's largest industrial employer, is presently adding 165,000 square feet of floor space to its local plant, located immediately east of the Palomar Airport Business Park.

The Hughes Tool Co. maintains a helicopter testing installation employing 35 persons at Palomar Airport.

The San Diego Gas and Electric Co. has announced plans for a 350-acre commercial and industrial park on acreage it owns north of Palomar Airport. The park, if built, would be oriented primarily to professional and commercial tenancy. This utility also proposes to build a refinery to produce low-sulphur petroleum products on the above acreage. Due to environmental considerations and objections by local groups opposed to the project, the refinery may not be built. However, the utility intends to proceed with construction of the business park, according to the City Planning Department, even if the refinery is not approved by the City Council.

Next to Hughes Aircraft, the largest industrial employer in the District is Burroughs Corporation, which employs 450 in the production of computer components at its new plant west of Interstate 5.

### Construction Activity

Building permit valuation is available only for the City of Carlsbad (approximately 80% of the land area of the City of Carlsbad is within the District). Within the city, the total value of building permits has been averaging more than \$28 million annually for the past four years. About 76 percent of this dollar volume has consisted of residential construction, with single family homes comprising the major part of residential permit valuation.

New homes in Carlsbad are largely in the medium-to-upper price ranges. In 1975 the average permit value for single family dwellings in the city was \$43,912 exclusive of land. The comparable county-wide figure was \$36,152. In neighboring Oceanside the average new home permit value was \$31,317, and in the community of Vista bordering Carlsbad to the east, the average new home permit was valued at \$35,589.

Presented below is a summary of building permit valuation in the City of Carlsbad by individual years since 1971.

### California Coastal Plan

An initiative measure (Proposition 20—The California Coastal Plan) passed by California voters in November 1972 called for review of building applications for new construction within 1,000 yards of the ocean, in order to control development. Under the Coastal Conservation Act, six regional commissions and one state commission were established to oversee development along the coast until December 31, 1976, at which time a permanent plan may be adopted by the legislature. The District is located in the San Diego Coast Region, which extends from the Mexican Border to Orange County. After extensive local hearings throughout the state, the commissions submitted their recommendations for a permanent plan to the legislature on December 1, 1975.

In Subregion No. 3 (Carlsbad), the Plan recommends acquisition of the land areas immediately surrounding Buena Vista Lagoon and Agua Hedionda Lagoon, acquisition of the Encina Power Plant beachfront, and extension of South Carlsbad State Beach to the north and south. The impact of any possible state acquisition and consequent loss of assessed valuation of these land areas is thought by the District to be minimal.

### CITY OF CARLSBAD

#### Valuation of Building Permits 1971-1975

(Thousands of Dollars)

Category	1971	1972	1973	1974	1975
Residential .....	\$5,370	\$12,707	\$42,348	\$18,238	\$13,739
New Commercial .....	1,473	1,823	1,189	4,297	2,418
New Industrial .....	241	675	1,237	2,153	2,177
Other .....	781	4,644	3,682	524	2,137
<b>Total Value .....</b>	<b>\$7,865</b>	<b>\$19,849</b>	<b>\$48,456</b>	<b>\$25,212</b>	<b>\$20,471</b>
<b>Number of New Dwelling Units:</b>					
Single Family .....	93	232	1,085	272	261
Multi-Family .....	194	608	521	347	74
<b>Total Units .....</b>	<b>287</b>	<b>840</b>	<b>1,606</b>	<b>619</b>	<b>335</b>

Source: "California Construction Trends," Security Pacific Bank.

## Commerce

Commercial activity in the District is concentrated in the central business district of Carlsbad and at Plaza Camino Real, a major new regional shopping center with convenient access from Interstate 5, State Highway 78 (Vista Way), and El Camino Real. Major tenants at this location are The May Co. and J. C. Penney Co. There are more than 60 specialty shops and restaurants. The developers have announced plans to double the size of the shopping center by adding a new Sears department store, a Bullock's outlet, and approximately 40 smaller shops.

Other major centers of commercial activity in the District are Car Country, a group of automobile dealers located east of Interstate 5 and La Costa Hotel and Spa, a resort complex in the southeastern sector of the District. The La Costa facility contributes nearly \$200,000 per year in transient use taxes to the City of Carlsbad.

Since 1971 taxable sales transactions in the City of Carlsbad have more than doubled, and the number of sales outlets has increased by more than 47 percent, as shown in the accompanying five-year tabulation of transaction activity in the city. Taxable sales for the first nine months of 1975, latest data available, exceeded the total for all of 1973.

## CITY OF CARLSBAD

### Taxable Transactions 1971-1975

Year	No. of Outlets	Total Taxable Transactions
1971 .....	336	\$35,818,000
1972 .....	361	45,966,000
1973 .....	405	66,169,000
1974 .....	446	81,806,000
1975 (9 mos.) .....	496	68,599,000

Source: State Board of Equalization.

## Transportation

Interstate 5, the principal highway through California from Mexico to Canada, traverses the western part of the District. California Highway 78, which joins I-5 north of Carlsbad, runs along the northern part of the District to Vista, San Marcos, and Escondido, where it connects with U.S. 395, a major inland route from San Diego through eastern Califor-

nia. The Palomar Airport Road (S12) and El Camino Real (S11) intersect near the center of the District, providing efficient traffic circulation for this area.

The Atchison, Topeka and Santa Fe Railway provides freight service to the District. There is an Amtrak station at Oceanside. More than 100 major truck carriers serve the area, operating out of San Diego and Los Angeles. Interurban bus service is provided by Greyhound Bus Lines and Continental Trailways. The North County Transit System offers local bus service in the District.

General aviation facilities are available at the county-operated Palomar Airport, located almost in the geographical center of the District. This airport, open 24 hours, has a 4,700-foot runway, 201 based aircraft, and logs more than 190,000 annual operations. An FAA control tower is open from 7 A.M. until 11 P.M. daily, and oversees VASI, ALS and ILS landing aids. Proposed future development includes plans to extend the runway to 5,100 feet and to build a second runway to the north. Palomar Airport is the focus of a growing industrial complex.

Regularly scheduled passenger and air cargo service to all points is available at San Diego Municipal Airport (Lindbergh Field), less than an hour's drive via freeway south of the District. Deepwater transportation is available at the Port of San Diego, approximately the same distance.

## Utilities

The District is served by the following utilities:

Gas and electricity:	San Diego Gas and Electric Company
Telephone:	Pacific Telephone Company
Water:	Carlsbad Municipal Water District
Sanitation:	Encina Water Pollution Control Facility (Carlsbad, Vista, and San Marcos)

San Diego Gas and Electric Company is planning to add a fifth generating unit to its Encina Power Plant, as part of a \$94 million expansion program. The fifth unit, rated at 290 megawatts, will join three units rated at 116 megawatts each and a fourth unit of 300 megawatts, to create a total generating capacity of over 930 megawatts. The Carlsbad generating plant is one of the largest in the utility's system. As previously noted, the installation has a 1975/76 assessed valuation in excess of \$26 million, or a full cash value of over \$105 million, as determined by the State Board of Equalization.

## Education

In addition to educational services of the Carlsbad Unified School District, instruction in the elementary and secondary grades is provided by St. Patrick's (grades 1-8, enrollment 247) and the private Army and Navy Academy (grades 7-12, enrollment 226), both located in Carlsbad.

Public education beyond high school is available at Mira Costa College, Oceanside, with day and evening enrollment of 5,100, and at Palomar College, San Marcos, with enrollment exceeding 9,500. Both are community colleges supported by local taxes and offer the Associate in Arts or Associate in Sciences certificate in various vocational and academic pursuits.

The San Diego campus of the University of California at La Jolla is located approximately 20 miles south of the District. The University offers graduate and undergraduate instruction at four colleges. The campus serves as headquarters for the University's Institute of Marine Resources and includes the long-established and celebrated Scripps Institution of Oceanography. There is a School of Medicine in the educational complex.

Other four-year degree institutions in the Metropolitan San Diego area include San Diego State University (enrollment 29,950), University of San Diego, a private institution enrolling approximately 2,500, United States International University (enrollment 5,345), and Point Loma College, a newly established facility with initial enrollment exceeding 1,200. These institutions bolster the local economy through the attraction of research dollars to San Diego County.

San Diego State University offers the bachelor's degree in 54 fields, and the master's degree in 42. There are doctorate programs in chemistry, genetics and ecology at this campus.

The University of San Diego (Catholic) offers the Master's degree in ten fields and awards the Juris Doctor degree at its School of Law. United States International University operates a law school and a school of the visual and performing arts.

## Community Facilities

The District is located in the tax-supported Tri-City Hospital District, which operates a modern 171-bed facility at Oceanside, immediately north of the

Carlsbad city limit. The communities of Carlsbad, Oceanside, and Vista formed this hospital district in 1958. Also in Oceanside is the Oceanside Community Hospital, with 67 beds.

The twice-weekly Carlsbad Journal and the daily Blade-Tribune of Oceanside provide local news coverage. The daily San Diego Union and Evening Tribune have special coverage of the North Coast. KKOS-FM, Carlsbad, KUDE, Oceanside, and KMLO, Vista, broadcast locally. San Diego and Los Angeles television channels are received in the District.

Banking services in the District are offered by Bank of America, Crocker National Bank, Security Pacific National Bank (2 branches), the Southwest Bank, and West Coast National Bank. Other financial institutions maintaining offices in the District are Central Federal Savings and Loan (2 offices), Home Federal Savings and Loan, La Jolla Federal Savings and Loan, and Oceanside Federal Savings and Loan Association.

The City of Carlsbad maintains a public library which offers audio-visual materials, films, projectors, tapes, cassettes, albums, and art print and pattern rentals. The city maintains five parks. There are 12 churches in the community.

In and near the District are four 18-hole golf courses and two 9-hole courses, including the public Rancho Carlsbad Golf Course and the private La Costa Country Club. The latter is the site of the prestigious Tournament of Champions, a leading event on the professional golf circuit.

Carlsbad State Beach has three miles of excellent beaches. Agua Hedionda Lagoon, in the west central part of the District, is a popular water sports area, and there is a waterfowl refuge at Buena Vista Lagoon, near the Oceanside city limit. Surfing, surf-fishing, water skiing, sailing, scuba diving, and boat launching facilities are available in the area. Other recreational attractions are State day and overnight campgrounds and the Carlsbad Raceway for auto racing.

Mira Costa College offers a comprehensive program of chamber music, opera, lectures, concerts, drama, and public affairs discussions. The many cultural and recreational advantages of Metropolitan San Diego are less than an hour's drive to the south for residents of the District.

# GENERAL DESCRIPTION OF GREATER SAN DIEGO

Metropolitan San Diego (San Diego County), an important industrial, military, research and oceanographic center, has been one of the fastest growing areas of the United States. The Metropolitan Area extends 70 miles along the Pacific Coast from the Mexican border to Orange County. It is bounded on the northeast by Riverside County and extends inland 75 miles to Imperial County. Encompassing 4,255 square miles, the county is approximately the size of the State of Connecticut. The San Diego area is one of the oldest settled sections of the United States. The Bay of San Diego was discovered in 1542 by the Spanish explorer Cabrillo, and in 1769 Father Junipero Serra founded the Mission San Diego de Alcala, the first in the chain of 21 California missions.

Topography varies from broad coastal plains to fertile inland valleys and mountain ranges to the east, rising to an elevation of 6,500 feet. Eastern slopes of these mountains form the rim of the Anza-Borrego Desert and the Imperial Valley. Climate is equable in the coastal and valley regions where most of the population and resources are located. Maximum daily temperatures along the coast average 70.8° and mean temperatures vary only 14° between the warmest and coldest months. Average annual rainfall in the coastal areas is approximately ten inches.

## Employment

Total civilian employment in Metropolitan San Diego (San Diego County) was 550,800 in January 1976, a nominal gain from the year-ago period. Government employees account for more than 27 percent of all nonagricultural wage and salary workers, followed by trade, services, and manufacturing occupations. Overall employment totals in the San Diego area have steadily increased. Largest numerical gains in payrolls between 1971 and 1975 were registered by services, state and local government, and retail trade, respectively. Table 9, page 30 shows nonagricultural civilian employment year-to-year comparisons during this period.

The most important industries in the San Diego area, based on payrolls, are aircraft and parts, shipbuilding and repair, communications equipment, office equipment, computers, printing and publishing, and food processing. There are more than 1,100 manufacturing firms in the Metropolitan Area.

**Table 9****METROPOLITAN SAN DIEGO****Non-Agricultural Civilian Employment (000's)**

	Annual Averages				
	1971	1972	1973	1974	1975
Construction .....	23.6	26.7	28.6	23.1	20.3
Manufacturing (durables) .....	50.8	50.4	54.7	59.9	57.6
Manufacturing (nondurables) .....	12.7	13.9	14.6	15.6	14.5
Transportation, utilities .....	21.2	22.1	23.1	23.2	22.6
Trade (wholesale) .....	13.3	13.7	15.4	16.6	16.7
Trade (retail) .....	75.1	78.7	84.3	87.9	92.0
Finance, real estate .....	19.7	22.1	23.7	24.9	24.6
Services .....	79.0	84.3	91.4	95.9	97.0
Government (federal) .....	33.2	34.5	35.7	36.9	37.2
Government (state and local) .....	68.8	75.0	78.3	80.2	86.4
Other non-agricultural .....	.6	.5	.5	.5	.5
Total non-agricultural employment ...	398.0	421.9	450.3	464.7	469.4

Source: State Department of Employment Development.

**Agriculture**

San Diego County ranks among the top agricultural counties in the United States. Farm production now approximates \$240 million yearly, with animal products, vegetables, and fruits forming the bulk of gross farm output. Eggs, tomatoes, avocados, and milk are the most important individual farm products, accounting for over 60 percent of gross value in 1974.

Cultivated acreage in the county amounted to over 61,000 acres in 1974. Employment in agriculture

generally ranges between 9,000 and 11,500 persons yearly.

Annual summaries of agricultural production in the county since 1971 are presented below. Vegetables and animal products (largely milk and eggs) have experienced the strongest growth rates in this period.

Important agricultural products within the District are flowers and tomatoes.

**SAN DIEGO COUNTY****Gross Value of Agricultural Production**

Commodity	1971	1972	1973	1974
Field crops .....	\$ 1,099,300	\$ 1,126,200	\$ 3,084,800	\$ 2,727,350
Fruits and nuts .....	38,232,930	40,624,300	56,913,000	54,033,610
Vegetables .....	33,202,580	35,980,200	41,184,300	60,339,000
Nursery products .....	27,016,000	31,055,000	37,283,000	40,135,000
Livestock and poultry .....	11,517,000	14,327,000	10,274,000	9,686,000
Animal products .....	41,766,000	44,365,000	69,403,000	72,640,000
Apiary .....	258,820	33,000	1,200,000	300,000
Total .....	\$153,092,630	\$167,510,700	\$219,342,100	\$239,860,960

Source: County Department of Agriculture, Weights, and Measures.

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